

EXHIBIT K
TO JOINT STATEMENT OF
UNDISPUTED FACTS

Susan Gore

Filed To: Cirrus Medical Staffing, LLC
 Status: Filed by WJH on JAN 20 06 05:53
 From: Kleinke, Cheryl (SMTP:kleinke@unitednat.com)
 Received: Thursday, January 19, 2006
 Subject: RE: Cirrus Medical Staffing, Inc. eff: 1/27/06
 Attachments: Cirrus-A-228094.xls

You may release terms per the attached revised rating worksheet. Please note, Physician Assistants should be rated as Nurse Practitioners. This is an error that need to be corrected on the rating worksheet.

Let me know ACE's pricing. I would hate to lose this one by not getting a last look.

Good luck, Bill!

-----Original Message-----

From: Bill Hanaway [mailto:bhanaway@hciausa.com]
 Sent: Wednesday, January 18, 2006 3:49 PM
 To: Kleinke, Cheryl
 Subject: Cirrus Medical Staffing, Inc. eff: 1/27/06

Cheryl,

See attached applications and rating worksheet for this nurse staffing risk. This is the account I briefly eluded to a week or two ago. They are presently with Interstate with the following terms:

\$1M/3M PL & GL
 100/300 abuse/mol sub-limit
 \$5,000 deductible
 PL retro of 6/01/02
 Additional coverages include: EBL (1-27-05 retro), Stop Gap (\$500k limits), Additional Insureds: 3

They also have a \$2M Excess.

Renewal pricing is coming in around \$154,000 for the primary and excess - a virtual double of the expiring. Arch has offered terms at about \$140,000. My rating is coming in at \$129,000+ at \$3M/5M limits.

Rating is based from the breakdown of staffing exposure titled "Insurance Renewal 2006". Though there are three schedules of exposure (the FFIC app, Staff Roster, and the Insurance Renewal '06 breakdown), we've been advised that the Insurance Renewal '06 breakdown is the most accurate.

On the Insurance Renewal '06 breakdown, they include "Mammograms" and "Gen Radiology" as disciplines. The agent forwarded communication from the insured explaining that "mammograms" is referring to radiology sonographers, and "gen radiology" is referring to x-ray techs.

Therefore, when working up the rating sheet, I combined the RNs and LPNs together, combined the "mammograms", surgical techs, "gen radiology" together, and the P/T and P/T assistant together. So my combined breakdown is as follows:

| | | |
|----------------|---------------------------|---------------------|
| RN/LPN | 248,040 hrs (124.02 FTEs) | \$7,490,132 payroll |
| P/T | 4,160 hrs (2.08 FTEs) | \$199,732 |
| Phys Asst | 3,952 hrs (1.976 FTEs) | \$299,624 |
| Resp Ther | 6,240 hrs (3.12 FTEs) | \$199,732 |
| Surg/Med Techs | 69,992 hrs (35 FTEs) | \$1,897,584 |

Total payroll = \$10,086,803

Placements exposure is 99% hospital and 1% N.H.

UNIC0726

Susan Gore

From: Kleinke, Cheryl (SMTP:kleinke@unitednat.com)

We have current loss runs on file that presently show no reported claims. However, Cirrus has just been notified as of 1/6/06 by counsel of a hospital to warn that they may be contacted by a plaintiff's attorney, presently suing the hospital, because one of the nurses providing treatment was an employee of Cirrus being staffed to the hospital. The hospital's attorney advised that even if the plaintiff doesn't intend on going after Cirrus, they may at least want to subpoena and depose the nurse. We have a copy of this letter and the complaint for wrongful death if you need to review.

They indicate some C.E., a JCAHO certification, and risk management procedures, so I applied credits for these attributes. And due to no losses, I applied a 15% claims-free credit. However, I think we may need to come down a bit more since ACE may be pretty competitive on this. I think this may be a go if we can get the premium at or just under \$100k. Please review the attachments and advise if you need more information.

Thanks!

Sincerely,

Bill Hanaway
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